

ARCADIA SHARE AND STOCK BROKERS PRIVATE LIMITED

VIGIL MECHANISM POLICY

1. PREAMBLE:

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 provides that the Unlisted Companies which has accepted deposits from Public or the Companies which have borrowed money from banks and Public financial institutions in excess of rupees fifty crores shall establish a vigil mechanism for directors and employees to report their genuine concerns or grievances.

2. PURPOSE:

The purpose of the policy is to provide adequate safeguards against victimization of Directors and employees who avail of the vigil mechanism and to provide direct access to the Chairman of the Audit Committee and where the Company is not required to constitute Audit Committee, to Director designated for the purpose, to oversee the vigil mechanism in appropriate or exceptional cases.

3. DEFINITIONS:

“Company” means ARCADIA SHARE AND STOCK BROKERS PRIVATE LIMITED.

“Director” means Director appointed to the Board of the Company.

“Designated Director” means Director designated by the Board of Directors for the purpose of Vigil Mechanism to whom other Directors and employees may report their concern.

“Employee” means every employee of the Company, including the Directors in the employment of the Company.

“Whistle Blower” means an employee making a protected disclosure under this policy.

4. SCOPE:

The Policy covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

- i. Financial irregularities and frauds
- ii. Breach of Business Integrity and Ethics
- iii. Manipulation of Company’s figures/data or statements
- iv. Actual / suspected Fraud and corruption
- v. Abuse of Authority or dominant position

- vi. Wastage or misappropriation of Company's money or asset(s).
- vii. Breach of terms and conditions of employment and rules thereof
- viii. Deliberate violation of any laws/regulations
- ix. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment
- x. Pilferation of confidential/propriety information
- xi. Unethical / Immoral Behavior
- xii. Any other dishonest or unethical act causing substantial damage to the Company or its assets.

5. PROCEDURE:

All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.

All Protected Disclosures should be addressed to the Designated Director appointed by the Board for the purpose of vigil mechanism.

6. INVESTIGATION:

All Protected Disclosures under this policy will be investigated by the Designated Director who will investigate / oversee the investigations under his authorization.

The Designated Director, if deems fit, may call for further information or particulars from the complainant and at his discretion, consider involving any other/additional officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

The investigation by himself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Designated Director deems fit.

If Designated Director is having any conflict of interest with the matter, he shall disclose his concern / interest forthwith and shall not deal with the matter and any other disinterested Director shall deal with the matter.

7. DECISION AND REPORTING:

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Designated Director shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

Any disciplinary or corrective action initiated against the subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

The Board of Directors of the Company will be regularly updated on the progress of the matter in case of any events reported under this mechanism until the same is disposed off.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the vigilance officer shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

8. PROTECTION:

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. In exceptional or appropriate cases, Whistle Blower can directly approach to the Designated Director appointed for the purpose of the vigil mechanism.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9. RETENTION OF DOCUMENTS:

All Protected Disclosures in writing or documented along with the results of investigation relating thereto which has been proved shall be retained by the Company for a minimum period of five years. Other Protected Disclosures may be destroyed at the end of the financial year.

10. AMENDMENT:

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. The Designated Director will also review the Policy and suggest amendments to make it responsive and relevant to the changing times. However, no such amendment or modification or establishment will be binding on the Employees unless the same is notified to the Employees in writing or updated on the website of the Company.

-----XX-----